

Employee Engagement, A Validated Measure And Model - Genevieve O'Reilly

Title: EMPLOYEE ENGAGEMENT.

A VALIDATED MEASURE AND MODEL

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ABSTRACT

This thesis contributes to engagement literature by clarifying what engagement is for employees in a large Australian travel retail organisation, how it can be measured, and the expected benefits for both employees and the organisation. With claims that disengagement costs the Australian economy over \$30 billion annually (Hooper, 2006), the focus on engagement, particularly within the practitioner community, has grown exponentially. However, there is a lack of empirical research providing construct definition and measurement, ensuring credibility of this construct (Saks, 2006). The two main purposes of this study aimed to address this research gap by firstly producing a valid engagement survey which measured engagement and its predictors, and secondly producing a statistically tested engagement model which explained engagement, its antecedents, and consequences. The study was conducted using a mixed methods sequential design involving three projects.

Project one involved the collection and analysis of 3 forms of qualitative data from which 12 main engagement themes were established and survey items generated. Document analysis, participant observation, and interviews (26) of current and former employees all served to identify themes and contextualize engagement within the organisation under study.

Project two involved the development and testing of the initial engagement survey. Survey items were refined through a pilot study. The remaining items were reviewed by an expert panel, before being administered company wide returning 419 completed surveys. Exploratory factor analysis was used to refine the survey items and identify the engagement construct structure.

Project three involved the validation of the engagement survey and confirmation of the engagement model. Structural equation modelling was used for this purpose. The engagement *survey*, which included eight driver subscales and an engagement subscale, was validated. Factors measured within the survey were similar to other cited in the literature signalling potential survey generalizability. The engagement *model* which included casual links between engagement, its drivers (antecedents), and outcomes (consequences) was confirmed. As anticipated, all eight engagement drivers (senior leadership, team leadership, work demands, work support, employee empowerment, continuation, customer focus and financial rewards) functioned as positive predictors of engagement. However, mixed results were found concerning engagement outcome variables. Engagement showed a positive casual relationship with personal outcomes (continuance commitment), but a negative casual relationship with organisational outcomes (customer satisfaction, and company financials).

Such results question an overwhelming theme within the literature which claims a positive casual effect of engagement for both personal and organisational outcomes. Further investigation is recommended to clarify these results and explore the possibility of other variable influences.

The research of this thesis incorporated both consultancy and academic literature, marrying both perspectives to produce a measure and model relevant to each orientation.